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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/396,005	09/13/1999	KHAI HEE KWAN		6815

23336 7590 11/02/2006

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EXAMINER

REAGAN, JAMES A

ART UNIT PAPER NUMBER

3621

DATE MAILED: 11/02/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/396,005	Applicant(s) KWAN, KHAI HEE	
	Examiner James A. Reagan	Art Unit 3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 August 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 13,14,26,32-46 and 48-52 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 13,14,26,32-46 and 48-52 is/are rejected.
- 7) ☒ Claim(s) 26,36 and 41 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of Claims

1. This action is in reply to the response filed on 20 August 2006.
2. Claims 13, 14, 26, 33-36, 38-41, and 43-46 have been amended.
3. Claims 48-52 have been added.
4. Claims 13, 14, 26, 32-46 and 48-52 are currently pending and have been examined.

RESPONSE TO ARGUMENTS

5. Applicant's arguments received on 03 July 2006 have been fully considered but they are not persuasive. Referring to the previous Office action, Examiner has cited relevant portions of the references as a means to illustrate the systems as taught by the prior art. As a means of providing further clarification as to what is taught by the references used in the first Office action, Examiner has expanded the teachings for comprehensibility while maintaining the same grounds of rejection of the claims, except as noted above in the section labeled "Status of Claims." This information is intended to assist in illuminating the teachings of the references while providing evidence that establishes further support for the rejections of the claims.

Applicant argues that a *prima facie* case of obviousness has apparently not been established. In response, the Examiner respectfully submits that obviousness is determined on the basis of the evidence as a whole and the relative persuasiveness of the arguments. See *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992); *In re Hedges*, 783 F.2d 1038, 1039, 228 USPQ 685,686 (Fed. Cir. 1992); *In re Piasecki*, 745 F.2d 1468, 1472, 223 USPQ 785,788 (Fed. Cir. 1984); and *In re Rinehart*, 531 F.2d 1048, 1052, 189 USPQ 143,147 (CCPA 1976). Using this standard, the Examiner respectfully submits that the burden of

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presenting a *prima facie* case of obviousness has successfully been satisfied, since evidence of corresponding claim elements in the prior art has been presented, and since the Examiner has expressly articulated the combinations and the motivations for combinations that fairly suggest Applicant's claimed invention. Note, for example, the motivations explicitly stated in the paragraphs below.

MOTIVATION TO COMBINE

In response to Applicant's argument that there is no suggestion to combine the references, the Examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

To this end, the Examiner recognizes that references cannot be arbitrarily altered or modified and that there must be some reason why one skilled in the art would be motivated to make the proposed modifications. Although the motivation or suggestion to make modifications must be articulated, it is respectfully submitted that there is no requirement that the motivation to make modifications must be expressly articulated within the references themselves. References are evaluated by what they suggest to one versed in the art, rather than by their specific disclosures, *In re Bozek*, 163 USPQ 545 (CCPA 1969).

The Examiner is concerned that the Applicant apparently ignores the mandate of the numerous court decisions supporting the position given above. The issue of obviousness is not determined by what the references expressly state but by what they would reasonably suggest to one of ordinary skill in the art, as supported by decisions in *In re Delisle* 406 Fed 1326, 160 USPQ 806; *In re Kell, Terry and Davies* 208 USPQ 871; and *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ 2d 1596, 1598 (Fed. Cir. 1988) (citing *In re Lalu*, 747 F.2d 703, 705, 223 USPQ 1257,

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1258 (Fed. Cir. 1988)). Further, it was determined in *In re Lamberti* et al 192 USPQ 278 (CCPA) that:

- (i) obvious does not require absolute predictability;
- (ii) non-preferred embodiments of prior art must also be considered; and
- (iii) the question is not express teaching of references but what they would suggest.

According to *In re Jacoby*, 135 USPQ 317 (CCPA 1962), the skilled artisan is presumed to know something more about the art than only what is disclosed in the applied references. Within *In re Bode*, 193 USPQ 12 (CCPA 1977), every reference relies to some extent on knowledge of persons skilled in the art to complement that which is disclosed therein. In *In re Conrad* 169 USPQ 170 (CCPA), obviousness is not based on express suggestion, but what references taken collectively would suggest.

In the instant case, the Examiner respectfully notes that each and every motivation to combine the applied references is accompanied by select portions of the respective references which specifically support that particular motivation. As such, it is NOT seen that the Examiner's combination of references is unsupported by the applied prior art of record. Rather, it is respectfully submitted that explanation based on the logic and scientific reasoning of one ordinarily skilled in the art at the time of the invention that support a holding of obviousness has been adequately provided by the motivations and reasons indicated by the Examiner, *Ex pane Levengood* 28 USPQ 2d 1300 (Bd. Pat. App. & Inter., 4/22/93).

With regard to claims 33, 38, and 43, the common knowledge declared to be well-known in the art is hereby maintained. Although the Applicant has rebutted the Examiner's use of Official Notice, it appears to the Examiner as if the Applicant is reading limitations into the claims from the specification. Consequently, the points argued are not recited in the claims themselves. For that reason, a solid argument in their contemplation cannot be established. Subsequent amendments to the claim language that would include the positions presented by the Applicant's arguments would provoke the Examiner to address the claims individually and as a whole, in light

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of the remaining limitations as well as the specification. Until such amendments are rendered, the arguments are disregarded and will not be countered.

In summary, the Examiner has taken the broadest and most reasonable interpretation of the claim limitations as written, in light of the specification. Although the specification may contain recitations of intended use, alternative points of view and subjective interpretative differences between the prior art of record and the present invention as premeditated, it is the claims themselves that are given patentable weight only inasmuch as they are constructed. Because the claimed invention has been painted with the broad stroke of petitioning for limitations that encompasses more than is asserted in the Applicant's claims, the prior art of record continues to fully disclose the Applicant's inventions as *claimed*.

With regard to claims 33, 38, and 43, the common knowledge declared to be well-known in the art is hereby maintained. Applicant, in amending the claim language, has made his assertions moot.

Claim Rejections - 35 USC § 112

6. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

7. Claims 26, 36, and 41 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Specifically, while using phrases such as "relating to", "related to", and "concerning" the Applicant fails to denote in the

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specification as well as in the claim language how the claimed formula would operate in the absence of a relation to said variables.

8. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

9. Claims 26, 36, and 41, are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The phrases "relating to", "related to", and "concerning" render the claims indefinite.
10. Claims 26, 36, and 41, are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The phrase "at last in part" renders the claims indefinite.
11. Claims 13, 34, and 39 recite the limitation "said payee's." There is insufficient antecedent basis for this limitation in the claim.
12. Claim 34 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The phrase "under payer's control" renders the claims indefinite.

Claim Rejections - 35 USC § 101

13. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

14. Claims 14 and 26 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Independent claim 13 claims a system, while dependent claims 14 and 26 claim methods.
15. Claim 35 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Independent claim 34 recites a system, while dependent claim 35 claims only code that is not tangible embodied on a computer-readable medium.

Claim Objections

16. Claims 14, 34, 35, 39, 40, and 46 are objected to because they are replete with numerous grammar and punctuation errors. Appropriate correction is required.

Allowable Subject Matter

17. Claims 26, 36, and 41 would be allowable if rewritten to overcome the rejection(s) under 35 U.S.C. 112, 2nd paragraph, set forth in this Office action and to include all of the limitations of the base claim and any intervening claims.

Claim Rejections - 35 USC § 103

18. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

19. Claims 13, 14, 32-35, 37-40, 42-46, and 48-52 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rosen (US Patent No. 5,455,407) in view of Jennings et al. (US 5,659,165 A).

Examiner's Note: The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

Claims 13, 34 and 39:

Rosen discloses the following limitations (see at least Abstract; Background/Summary of the Invention; Fig 3-10; associated text; Fig 34-36a, 36-36a and 46-46a, associated text; C2, L42-45: "common payer to payee"; C8, L52-62: "a subscriber will not be required to maintain a bank account"):

- *prompting payer to input payer's account identifier and password;*
- *authenticating the said payer's account identifier and password for validity;*

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- *prompting the payer to input payee's account identifier and fund transfer information;*
- *receiving said payee's account identifier and fund transfer information;*

Rosen does not disclose the following claims, but Jennings, in at least column 2, lines 30-50 discloses an instantaneous transfer of funds from one account to another without the recipient being involved in the transfer, thereby disclosing the following limitations:

- *upon authenticating the payee's account identifier, instantly crediting the fund to payee's account if the balance in the database associated with the payer account identifier and password is more than the fund for transfer;*
- *instantly debiting the balance associated with the payer's account identifier and password in the database with the said fund transferred to payee's account;*
- *whereby said transfer is made without interacting with payee;*

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of Rosen with Jennings' instantaneous funds transfer because it provides direct support to Rosen's disclosures, "...there is a need for a system that allows common payor to payee economic exchanges without the intermediation of the banking system, and that gives control of the payment process to the individual. Furthermore, a need exists for providing a system of economic exchange that can be used by large organizations for commercial payments of any size, that does not have the limitations of the current EFT systems (Rosen: column 2, lines 42-49)."

Claims 14, 35, and 40:

Rosen further discloses (see all above citations):

- *prompting user to enter security code associated with the prepaid card;*
- *receiving the security code;*
- *determining if the security code is valid;*
- *determining if any identifier account is associated with the security code;*

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- *if there is no account identifier associated with said code then prompt user to enter a unique user account identifier, password, storage period and currency to be stored;*
- *receiving the said user account identifier, password, storage period and currency as input by user;*
- *determining said user account identifier and password for uniqueness against other stored user account identifiers and passwords;*
- *calculating the stored value;*
- *output stored value to user; and*
- *if said user account identifier, password combination is unique and stored value is acceptable to user then add said account identifier and password into database linked with the stored value amount;*

Rosen does not specifically disclose:

- *if said user account identifier, password combination is not unique and stored value is acceptable to user then link the stored value amount to said existing user account identifier and password in the database;*
- *whereby upon completion of storing and linking said prepaid card is valueless.*

However, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include linking the account because it would serve to thwart any possible fraudulent use of an existing user's account upon the pretext of adding more stored value to it and activating a new prepaid card. It would have also been obvious for one ordinarily skilled in the art at the time the invention was made to have included an activation method as claimed in a system based on Rosen in order to provide a stronger protection element to the debit/stored value card system because the card user will be assured that only once properly activated by him herself, will the account associated with the card be accessible for transactions.

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Claims 33, 38, and 43:

The combination of Rosen/Jennings discloses the instant payment system as shown above. Rosen/Jennings does not disclose *said payer is unknown to host server*. However, the Examiner takes **Official Notice** that it is old and well-known in the online transactional arts to provide anonymity to payers and payees during a monetary transfer because anonymous transactions protect the privacy of transacting parties.

Claims 44, 45, and 46:

The combination of Rosen/Jennings discloses the instant payment system as shown above. Rosen/Jennings does not disclose *providing at least one point of sale terminal adapted to issue prepaid card and connected to said host server*. However, the Examiner takes **Official Notice** that Point of Sale machines and card dispensing machines are old and well-known in the transactional arts.

Claims 48 and 49:

See the rejections and citations above.

Claims 50-52:

The combination of Rosen/Jennings discloses the instant payment system as shown above. Rosen/Jennings do not disclose *said network is a telephone network*. However, the Examiner takes **Official Notice** that then use of telephone lines for Internet connections is old and well-known in the transactional arts.

Conclusion

20. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).
21. A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

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Any inquiry of a general nature or relating to the status of this application or concerning this communication or earlier communications from the Examiner should be directed to **James A. Reagan** whose telephone number is **571.272.6710**. The Examiner can normally be reached on Monday-Friday, 9:30am-5:00pm. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, **ANDREW J. FISCHER** can be reached at **571.272.6779**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://portal.uspto.gov/external/portal/pair>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at **866.217.9197** (toll-free).

Any response to this action should be mailed to:

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or faxed to **571-273-8300**.

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JAMES A. REAGAN

Primary Examiner

Art Unit 3621

18 October 2006

JAMES A. REAGAN
PRIMARY EXAMINER

